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## THE SOIL BANK

# 1957 ACREAGE RESERVE

to reduce basic crop surpluses

#311

Farmers can now sign agreements to take part in the 1957 Acreage Reserve programs—earning payments for reducing production of five basic crops, and strengthening the market for these crops by helping to balance supply and demand.

The Soil Bank, which is entering its first year of full operation, has two parts: the Conservation Reserve and the Acreage Reserve.

The Conservation Reserve is a longer-range plan, offering farmers financial help in changing their use of general cropland from harvested crops to conservation uses.

The Acreage Reserve gives farmers the tools for a direct attack on accumulated surpluses of basic crops (wheat, upland cotton, corn, rice, and tobacco, in 1957).

Farmers who participate in the 1957 Acreage Reserve, by diverting allotment acreage of one or more of the basic crops to the Reserve program, will:

- • Earn special payments to protect their current income while land is in the Reserve and out of crop production.
- • Get the payments for the Reserve acres, even if they run into a bad growing season.
- • Rest the Reserve acres, or improve them with cover crops which may qualify for regular Agricultural Conservation Program (ACP) assistance.
- • Be in position to reduce their overall investment in the year's farm operations.
- • By cooperating with other producers, cut down burdensome surpluses and improve market prices.

Taking part in the Soil Bank is entirely voluntary. Each farmer will make his own decision, on the basis of the advantages offered for his farm.

Producers of "winter wheat" for 1957 harvest signed up for the wheat Acreage Reserve last fall. Peanuts and extra long staple cotton, which are not in current surplus, are not included in the 1957 Acreage Reserve programs.

All farmers with an established "old farm" acreage allotment for "spring wheat," or any of the other four basic crops which are included in this year's programs, can sign up at any time until deadline dates early this spring. Your county Agricultural Stabilization and Conservation (ASC) committee can give you the final dates for your crops.

Because rates of payment and other program provisions necessarily vary a good deal, farmers should check with their local county ASC committee regarding details which apply to their farms.

The following brief explanation of the overall features of the Acreage Reserve applies in general to all the allotment crops which can be put in the 1957 program.

## **How to Put Land in the Acreage Reserve**

Each farmer who has an "old farm" allotment for upland cotton, corn, spring wheat, rice, or tobacco, and decides to put a part of the allotment in the program, will sign an Acreage Reserve agreement for 1 year. If part of the allotment for more than one crop is put in the Reserve, an agreement will be signed for each crop. The agreement is a binding contract between the farmer and the Secretary of Agriculture, represented by the county ASC committee. Farmers will sign the agreements at the county ASC office in the county in which the farm is located.

## **Allotment History Protected**

The part of a farm acreage allotment put in the Acreage Reserve will be classed as land used to produce the crop for which the allotment was established. Thus, future allotments for a farm will not be reduced because land was put into the Acreage Reserve.

## **What Kind of Land**

Any cropland on a farm which is suitable for producing the crop included in the agreement may be put in the Reserve, except that any acreage already designated under the

Conservation Reserve is ineligible for the Acreage Reserve. Acreage must be specifically designated in the agreement, and must not be grazed or harvested.

### Availability of Agreements

The available funds for payments on each crop under the 1957 Acreage Reserve program have been allocated to each county, on the basis of permitting the widest possible participation. Within this money allocation, county ASC committees will accept agreements from farmers on a "first-come, first-served" basis. If the county funds are all obligated before the end of the sign-up period, the county ASC office will prepare a list of those who want to take part in the program but whose applications, while filed before the sign-up deadline, were received too late for inclusion under the initial allotment.

Then, if more funds become available to the county by reallocation of unused funds from other counties or States, agreements will be accepted from those so listed, in the order in which their agreements were received and within the limit of the funds then available.

### The Amount of Land

Farmers in general may put up to a specified acreage of each eligible allotment crop in the Acreage Reserve. There is no minimum limit. The size of the allotment is a basic factor in determining the upper limit, as follows:

Cotton—10 acres or 30 percent of the allotment, whichever is larger.

Corn and Rice—20 acres or 30 percent of the allotment, whichever is larger.

Wheat—50 acres or 50 percent of the allotment, whichever is larger.

Tobacco—Burley, dark air-cured, fire-cured, and Virginia sun-cured: 1 acre or 30 percent of the allotment, whichever is larger.

—All other tobacco: 3 acres or 30 percent of the allotment, whichever is larger.

There is also an over-riding provision which applies to the upper limit. No acreage greater than the acreage allotment for any crop can be put in the Acreage Reserve for that crop. For example: A farm with an

8-acre cotton allotment would have an 8-acre upper limit for the Acreage Reserve, even though the above table lists 10 acres as the general upper limit.

It is possible that under some conditions farmers may be able to exceed the initial upper limits for their farms. If the reallocation of unused funds from other counties and States is more than sufficient to take care of all farmers whose agreements could not be accepted initially, the county ASC committee may be in position to accept extra acreage after the regular sign-up period. When farmers sign their original agreements they will be offered an opportunity to indicate the extra acres they would like to put in the Reserve.

### Payment Rates

A dollars-and-cents rate per acre will be established by the county ASC committee for each allotment crop, for each farm. These will vary from county averages according to relative productivity and farming methods on individual farms. The county "averages" themselves will vary in accordance with similar factors. Each farmer will be given notice of the per-acre rate for his farm.

Because there may be such wide variations, it is important that farmers check their own rates with the county ASC committee. The following national "average" acre rates, however, will give a general indication of the levels for the different allotment crops: Wheat, \$20.04; upland cotton, \$54.15; corn, \$42.66; rice, \$63.18; and tobacco, \$253.44 as the national average for all kinds, with a wide variation for different types.

### Appeals

An appeal procedure is available for farmers who are dissatisfied with the per-acre rates of payment for corn, cotton, rice, and tobacco, assigned to their farms. Appeals are to be filed with county ASC committees within 15 days after the date of the farmer's notice of the per-acre rate for his farm.

### Method of Payment

Acreage Reserve payments will be made by negotiable certificates which can be used in the same manner as checks.



In addition, certificates issued for putting rice, corn, or wheat allotment acreage in the Reserve may be exchanged for surplus grain in the Commodity Credit Corporation inventory or to pay off a price-support loan on grain. When used for either of these purposes the certificate has a value of 105 percent of its face value. Farmers desiring to use this arrangement should see the county ASC office about the kinds of grain available for exchange or eligible for loan redemption.

### Harvested Acres

Since a farmer who has signed an Acreage Reserve agreement has agreed to take out of production a specified number of acres of an allotment crop, there is established a maximum harvested acreage for the crop covered by the agreement. The "acreage permitted for harvest" is the farm allotment less the number of acres of that crop in the Acreage Reserve. For farmers who plant more acres than the acreage permitted for harvest, provision is made for disposal of any excess acres before harvesttime. The manner in which the disposal may be carried out, and the final date for doing it, are the same as under the marketing quota and price-support programs for that crop.

### Compliance with Acreage Allotments

Since the objective of the Acreage Reserve is to reduce surpluses, the Soil Bank law provides that to remain eligible for an Acreage Reserve payment a farmer must comply with all acreage allotments assigned to his farm. There are two exceptions to this requirement: (1) Any farmer may produce 15 acres of wheat and remain eligible for Acreage Reserve payments on other crops, and (2) any farmer can produce 1 acre of peanuts and be eligible for Acreage Reserve payments.

### Tenants and Sharecroppers

Specific provision is made in the law for the protection of the interests of tenants and sharecroppers. Since local customs concerning tenant-landlord and sharecropper-landlord relationships vary widely, farmers who have tenants or sharecroppers and who plan

to put acreage in the Reserve should discuss their individual situations with the county ASC office.

### Violation of Agreements

The Soil Bank law and regulations under that law provide for penalties when Acreage Reserve agreements are violated. The nature of the violation determines, to a large extent, the penalty. Those who sign Acreage Reserve agreements and who later deliberately graze or harvest a crop in violation of the agreement are subject to a civil penalty and the withholding of the payment due. Farmers who understand the provisions of the agreements should have no difficulty in compliance.

County Agricultural Stabilization and Conservation Committees are responsible for the local administration of the Acreage Reserve programs. The offices of these committees have the program details and can answer questions on how the program applies to individual farms. County agricultural agents also have general program information.

Interested farmers should get in touch with their county ASC office promptly, to find out just how the Acreage Reserve can fit into their own farming operations profitably this year.

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